

AR35

ANNUAL

MAY 30, 1966



GENERAL MILLS

REPORT

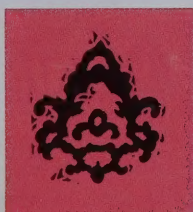
MAY 28, 1967

File

One of Betty Crocker's
Kitchens of the World



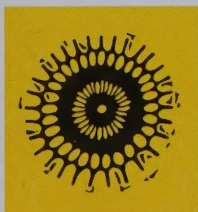
NEW ENGLAND



SCANDINAVIAN



NEW ORLEANS



LATIN AMERICAN



MEDITERRANEAN



JAPANESE



CALIFORNIA

Joint ventures and acquisition of established companies expanded General Mills' products and services in 1966-67. Toronto Macaroni & Imported Foods Limited, Toronto, Canada, joined the General Mills family at the start of the fiscal year. The company markets a line of macaroni and related food products under the Lancia, Bravo and Surget brand names.



General Mills and a group of Panamanian businessmen have formed a company in Panama to produce Gold Medal bakery and family flour. Operating under the name, General Mills de Panama, S.A., the new company is now building a mill at Panama City. The facility, shown under construction, is scheduled to begin operation in the fall of 1967.



Viewed from the air, this plant at Sydney, Australia, will become a part of General Mills under current plans. Along with facilities in New Zealand, it is operated by Polymer Investments Limited, which produces specialty chemicals for the paint, ink, plastic, adhesive, textile, paper coating, food and petroleum industries. General Mills plans to purchase the company's operations in both Australia and New Zealand.



John Eckert, General Manager for General Mills' International Division in the Far East (left), and Shigeo Kashima, Executive Vice President of Dai-Ichi Kogyo Seiyaku Co., Ltd., study the model of a new plant under construction for Dai-Ichi General Limited. Mr. Kashima is President of Dai-Ichi General, formed jointly by General Mills and the Japanese company to produce and market specialty chemicals in Japan and the Far East.

ON THE COVER, Betty Crocker's exciting New Orleans Kitchen is joined pictorially by symbols for all seven of her new Kitchens of the World. For a view of the other six, turn to the news section of this report, beginning on page 13.

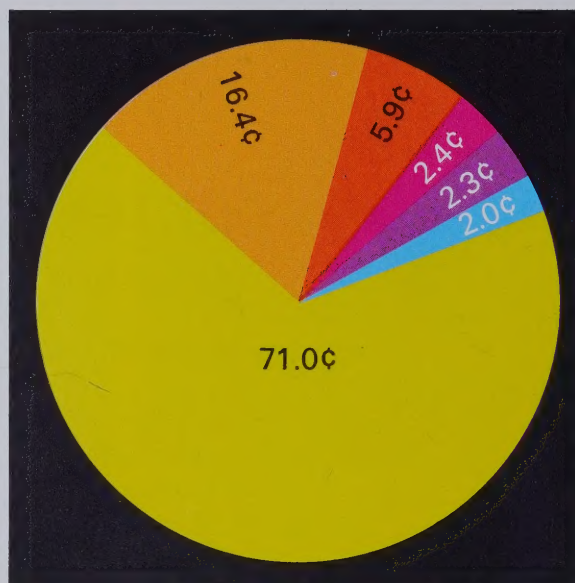
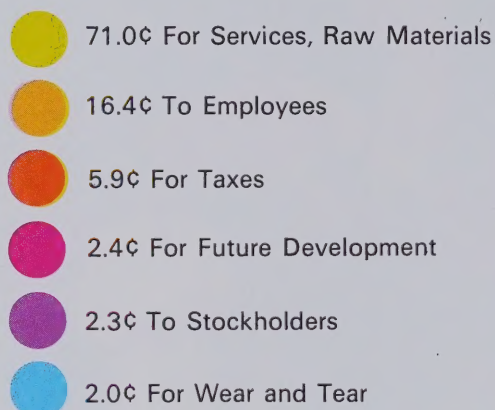
CONTENTS

Division of the Sales Dollar	2
The Year in Brief	2
Chairman's and President's Report	3
Business Review	5
Financial Section	12A
Betty Crocker's New Kitchens	13
New Directors Elected to Board	14
Organizational Changes	15
Lancaster Plant Dedicated	17
Regional Stockholder Meetings	18
Scholarship Program Grows	18
"Good Citizen" of the Year	19
New Betty Crocker Cookbooks	20
Manager of Manpower Planning	20
Union Contracts Negotiated	22
Products of General Mills	23
Board of Directors	24
Officers	25

NOTICE TO STOCKHOLDERS: The annual meeting of the stockholders of General Mills, Inc., will be held at 3:00 p.m., Central Daylight Time, on August 22, 1967, at Golden Valley (Minneapolis 55440), Minn. The Notice of Annual Meeting of Stockholders and Proxy Statement is being mailed to reach stockholders on or about July 31, 1967.

Through its 39-year history, General Mills has been known as a producer and marketer of fine products for home and industry. The company also endeavors to be a good corporate citizen, dedicated to community service and contributing to the cultural life of the nation. These two sides of the corporate character are represented in many of the illustrations in this report, which show products of General Mills against backgrounds from the company's collection of fine art.

HOW THE SALES DOLLAR WAS DIVIDED



THE YEAR IN BRIEF

000 omitted

	52 Weeks Ended May 28, 1967	52 Weeks Ended May 29, 1966 Restated *	52 Weeks Ended May 29, 1966 As reported
Sales	\$602,536	\$570,899	\$524,678
Earnings before extraordinary items	28,456	27,725	23,336†
Net earnings	28,456	26,344	21,955†
Earnings before extraordinary items per dollar of sales	4.7¢	4.9¢	4.4¢
Per Share of Common Stock:			
Earnings before extraordinary items	\$3.36	\$3.27	\$3.07†
Net earnings	3.36	3.09	2.89†
Wages, salaries, employee benefits	98,947	92,121	85,107
Taxes—Federal, State and Local	35,699	28,709	24,074
—per cent of earnings before taxes	55.6%	50.9%	50.8%
Dividends—common stock	\$11,416	\$12,358	\$10,631
—preference stock	2,416	—	—
Earnings in excess of dividends	14,624	13,986	12,705†

* Restated to include results of the Tom Huston Peanut Company, a subsidiary acquired in August, 1966.

† General Mills' Annual Report for 1965-66 listed "Earnings Before Extraordinary Items" as "Net Earnings." Extraordinary items were reflected in Earnings Employed in the Business in accordance with accepted practice at that time. Where new figures appear, they reflect current practice.

CHAIRMAN'S AND PRESIDENT'S REPORT

To Stockholders and Employees

July 28, 1967

General Mills' earnings for the 52 weeks ended May 28, 1967, attained an all-time high of \$28,456,000. This compares with the previous year's earnings of \$27,725,000 before extraordinary items (restated to include results of the Tom Huston Peanut Company, acquired by General Mills in August, 1966). Earnings of \$23,336,000 before extraordinary items were reported a year ago.

The term "earnings before extraordinary items" is new this year for General Mills (see Restatement of Earnings, page 5). We are emphasizing it because we believe it is the best measure of the company's performance and corresponds to what we have referred to as "net earnings" in past years. Because there were no extraordinary credits or charges in 1966-67, "earnings before extraordinary items" and "net earnings" are the same for the year ended May 28.

Earnings per share of common stock totaled \$3.36 — nine per cent higher than the \$3.07 before extraordinary items reported a year ago and three per cent more than the \$3.27 restated to include the Tom Huston Peanut Company.

Pretax profits for the year reached \$56,322,000, a gain of 13 per cent over the restated total of \$49,977,000 in 1965-66. Mainly because our capital expenditures eligible for the investment tax credit were much lower

than in the previous year, our tax bill was considerably higher.

Sales in 1966-67 totaled \$602,536,000. They were \$31,637,000 above the 1965-66 total as restated even though the Refrigerated Foods Division of the company was discontinued at the beginning of the year.

General Mills is continuing its vigorous growth program through acquisitions as well as internal development. Just before the close of the year, we announced plans for the purchase of Polymer Investments Limited of Australia (see page 10). In the months since, we have acquired the Cherry-Levis Food Products Corp. of Philadelphia and 50 per cent of the capital stock of Productos de Trigo, S. A., Guadalajara, Mexico. Cherry-Levis distributes a sausage product under the brand name, Slim Jim, and pickled meat products under the Penrose label; Productos de Trigo produces and markets lines of cookie, cracker and pasta products and flour in Mexico.

On June 26, 1967, the Directors of the F. M. Stamper Company and General Mills approved an agreement under which General Mills would acquire the assets of the Stamper organization. By its terms, the agreement is subject to approval by the stockholders of both companies. The F. M. Stamper Company, with headquarters at St. Louis, produces a line of frozen

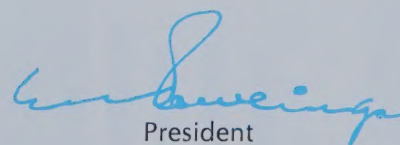
prepared foods distributed nationally under the Banquet label. The company had sales of approximately \$100,000,000 in the year ended February 25, 1967.

It was a privilege to welcome four new members to the Board of Directors during the year. J. Wilbur Feighner, Vice President of General Mills and President of the Tom Huston Peanut Company, our new subsidiary; Philip B. Harris, Executive Vice President of the Northwestern National Bank of Minneapolis; Louis W. Menk, President of the Northern Pacific Railway Company; and Burton W. Roberts, Vice President of General Mills, bring to the board rich and varied business knowledge and experience.

In reviewing the past year, we wish to express our deep gratitude to the stockholders and employees of General Mills who made possible the company's progress. With their continuing support, we are looking forward to further growth in the year ahead.



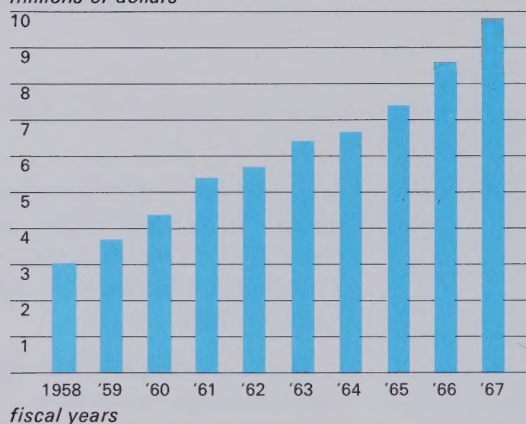
Chairman of the Board



President

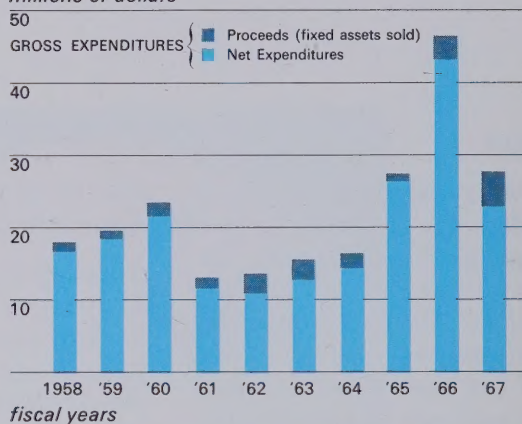
CENTRAL RESEARCH EXPENDITURES

millions of dollars

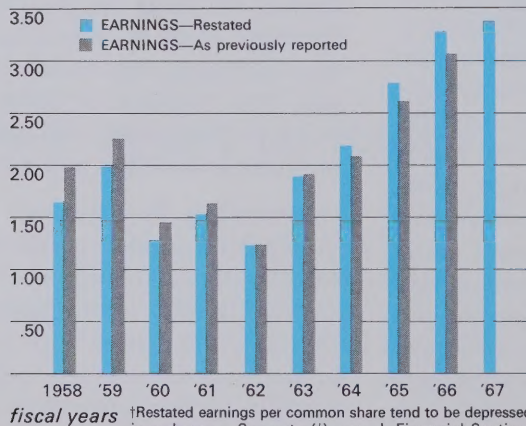


EXPENDITURES FOR PLANT AND EQUIPMENT

millions of dollars

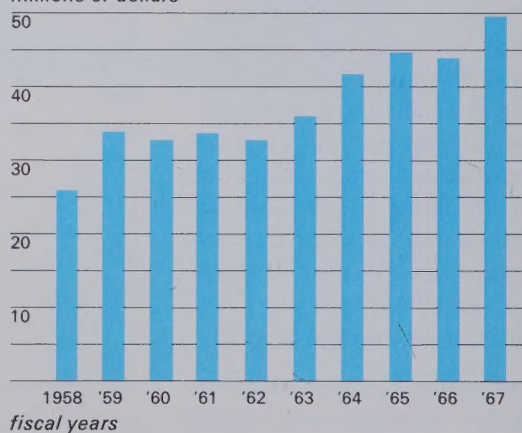


EARNINGS PER COMMON SHARE BEFORE EXTRAORDINARY ITEMS†

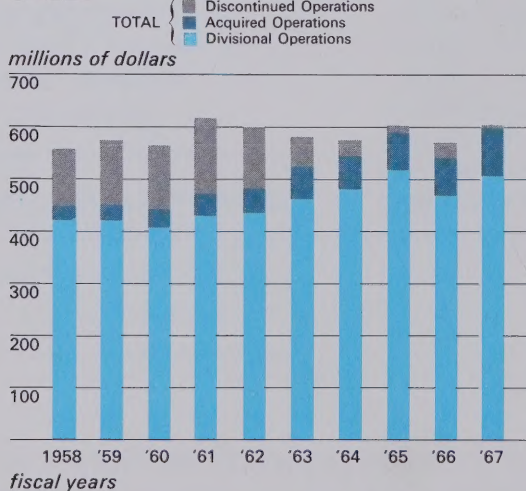


ADVERTISING MEDIA EXPENSE

millions of dollars



SALES



PROGRESS—1966-67

- Earnings reach all-time high.
- Earnings per share at record level.
- Dividends continue to climb.
- Big G breakfast cereals gain new high in share of market.
- Bugles, Whistles, Daisy's, new snacks, complete national distribution.
- Tom Huston Peanut Company joins General Mills family.
- New food and chemical products reach the marketplace.
- Joint ventures and acquisitions expand international operations.
- Betty Crocker's exciting new Kitchens open for service to homemakers.

BUSINESS REVIEW

General Mills, in its 39th year, continued to progress in earnings and earnings per share of common stock while laying a sound foundation for future growth.

Sales totaled \$602,536,000. This is 5.5 per cent above those of 1965-66 despite the discontinuance of the Refrigerated Foods Division, which had sales of about \$15,000,000 annually.

Consumer foods led the advance in sales. Specialty chemicals and food service products for bakeries, hotels, restaurants and institutions also contributed significantly. New products, developed and acquired in the past five years, accounted for about 33 per cent of the sales total.

Earnings per share of common stock, at \$3.36, were nine per cent higher than those reported a year ago and three per cent over the \$3.27 restated to include the results of the Tom Huston Peanut Company. Total earnings, at \$28,456,000, were \$731,000 more than the earnings before extraordinary items of the previous year as restated for comparability. Profits before taxes, at \$56,322,000, were 13 per cent above those of 1965-66 adjusted to include Tom Huston.

Holders of common stock in 1966-67 received dividends of \$1.50 per share, a new high and 10 cents per share more than the \$1.40 paid in 1965-66. Total dividends amounted to \$11,416,000 for common stock and \$2,416,000 for preference stock.

On April 24, 1967, the Board of Directors voted to recommend to stockholders an increase in the authorized capitalization of the company and a two-for-one split of the common stock. At the same time, the board announced its intention to declare a quarterly cash dividend of 20 cents per share of common stock, including the additional shares to be issued in the stock split. This would be equivalent to 40 cents per share on the stock

Continued on page 6

Restatement of Earnings

Recently, the American Institute of Certified Public Accountants issued new recommendations on several accounting and reporting procedures. These affect the presentation of information in this report in two ways.

First, historical and comparative financial data have been restated to include the results of certain acquired companies as if they had always been part of General Mills. This "pooling of interests" springs from the philosophy that both the acquired and acquiring companies have continuity of operation.

Second, significant nonrecurring items, such as losses or gains from the sale of major properties or businesses, are now included in net earnings. In the past, these extraordinary items have been credited or charged to Earnings Employed in the Business and have not affected net earnings. What have been termed "net earnings" in recent years, therefore, are now labeled "earnings before extraordinary items."



now outstanding and would represent an increase in the current annual rate from \$1.50 to \$1.60 per present share. The first dividend at the increased rate would be payable November 1, 1967.

Consumer Foods

Ready-to-eat breakfast cereals and snack products contributed \$221,600,000, or 36.8 per cent, to General Mills' total sales in 1966-67. This compares with \$188,600,000 in sales of these products during the previous year.

In 1966-67, General Mills' products reached an all-time high in their share of the \$625,000,000 a year retail market for ready-to-eat breakfast cereals. Such family favorites as Cheerios, Wheaties and TOTAL gained significantly. Wheat Stax, a product of new technology, attained national distribution. Corn Bursts and Cornados, among others, made their debuts in test markets.

By completing national distribution of revolutionary new snack products, Bugles, Whistles

and Daisy*s, General Mills established its position in a market that has been growing at an annual rate of about 12 per cent. Two still newer snacks, Buttons and Bows, entered test markets during the year.

Morton Foods, Inc., acquired by General Mills in 1964, produces and distributes snacks and a variety of other food products in the southwestern United States. During the past year, Morton adopted a new company symbol for all of its packages, labels, letterheads, signs and trucks. PUFFCORN, a new product developed through joint General Mills and Morton research, was introduced by Morton in the Southwest during early 1967.

On August 27, 1966, the Tom Huston Peanut Company, Columbus, Ga., became a wholly owned subsidiary of General Mills, opening entirely new markets for the company. Tom's product line includes candies, peanuts, potato and corn chips, peanut butter and sweet sandwiches and related products delivered through independent distributors. Its products reach the consumer mainly through non-grocery outlets, including vending machines. These outlets account for more than half of the snack and candy business, now estimated to have retail sales of over three billion dollars annually. During 1966-67, Tom's introduced some 20 new and improved products.

Sales of mixes, flour for household use and other General Mills convenience foods reached \$236,800,000 in 1966-67 as compared with \$217,900,000 in the previous year. They accounted for 39.3 per cent of the company's sales total.

As consumers have changed their cooking and eating habits, the market for family flour has declined three per cent per year despite a growing population. The total family flour market is large, however — nearly \$300,000,000 annually at retail. Gold Medal Flour ranked number one in this market and strengthened its position during the past year.

Betty Crocker Cake Mixes maintained their position of second in the \$200,000,000 cake mix market. Four new flavors were introduced during the year: CHIQUITA Banana, Butter Cake Yellow, Butter Cake Devils Food and Cherry Chip. A major change in package design enhanced appetite appeal of Betty Crocker Layer Cake Mixes and gave them a more complete family resemblance.



Betty Crocker Frosting Mixes increased the leadership they have had for many years in a market that totals about \$58,000,000 annually at retail and is growing about 10 per cent a year. Five new flavors helped make this growth possible: CHIQUITA Banana and Creamy Cherry, which are complementary to the Banana and Cherry Chip Cake Mixes, Fluffy Chocolate, Butterscotch Ready-To-Spread and Milk Chocolate Ready-To-Spread.

Mashed Potato Buds from Betty Crocker continued to grow in sales in a rapidly expanding market. Meanwhile, Betty Crocker Au Gratin and Scalloped Potatoes maintained their positions of leadership, helping make General Mills number one in the prepared potato business.

In the pie crust mix, brownie mix and biscuit mix markets, General Mills' products maintained their leadership. Betty Crocker Muffin Mixes strengthened their second position in the muffin mix market. General Mills' casserole products ranked third in their market, and Betty Crocker Noodles Romanoff continued to lead in sales of casseroles of the Romanoff type.

Taking General Mills into an additional consumer products field, Jet 24, a fruit-flavored soft drink concentrate in aerosol cans, was introduced in test markets. Currently, it is offered in orange, grape, lemon-lime and punch flavors.

Commercial Foods

Sales of commercial foods, to bakeries, hotels, restaurants, institutions, dairies and other segments of the food industry, totaled \$107,600,000 in 1966-67. This represented 17.8 per cent of the company's total sales. Withdrawal from unprofitable segments of the flour business, completed in 1965-66, materially reduced commercial food sales as compared with those of past years.

The changing nature of General Mills' commercial food operation is reflected in the renaming of the Flour Division, now identified as the Flour and Food Service Division. This new name underscores the growing importance of food service products for hotels, restaurants, institutions and other "meals-away-from-home" markets while stressing the continuing significance of bakery flour operations. General Mills' flour maintained



its strong franchise with small and large bakers throughout the country.

Bac-O-Chips, crisp bits with a taste and texture similar to fried and crumbled bacon, were released for national distribution to the food service trade. The new cereal, Wheat Stax, was also distributed nationally through food service channels. A variety of new and improved baking mixes and bases were under development during the year and will be released in the months ahead.

General Mills' family of specialty products for the food industry was expanded. These



include wheat gluten for bakers and wheat starch, guar and locust bean gums, wheat germ oil, spice base and multi-vitamin enrichment compounds for use by a variety of food processors, plus fruit drink concentrates distributed by dairies. During the year, new beverage concentrates were added to the line for the dairy industry.

Specialty Chemicals

Sales of General Mills' specialty chemicals increased for the ninth consecutive year. Representing 4.9 per cent of the company's total, they reached \$29,500,000 (not including food ingredients sold by the Specialty Products Division and reported under Commercial Foods). This compares with \$27,400,000 for the previous year and \$17,200,000 as recently as 1961-62.

New products contributed to the Chemical Division's record. One of the most important is Versalon 1140, a versatile polyamide resin that bonds a variety of dissimilar surfaces instantaneously and holds firmly over a broad range of temperatures. It is finding applications in a wide range of industries. Among other new products introduced during the year are Imine Coreactant X120, a novel co-reactant for epoxy resins which offers advantages to the coating industry, Diad 30, an epoxy curing agent also of great significance in coatings, and the Fast Back heavy-duty sponge designed for cleaning automobiles and other large surfaces.

DDI brand isocyanate, with applications ranging from weather-resistant clear finishes to textiles and paper, and LIX-64, used for the recovery of copper from low-grade ore, both

progressed well after their introduction a year ago. At the same time, uses of the company's line of polyamide resins continued to expand. To facilitate the commercial application of new products, the Chemical Division has formed special "venture groups," operating within the division's Commercial Development Department.

Erosion in the price of fatty nitrogen compounds produced by the Chemical Division slackened during the year as increased demand cut into the excess capacity that has been an industry problem in the past.

Sales of fine chemicals (soy sterols and vitamin E) showed noteworthy gains. Marketing of these products was aided by the recent inclusion of vitamin E in the U.S. Pharmacopoeia and the proposed establishment of a Recommended Dietary Allowance for vitamin E by the Federal Food & Drug Administration.

The Specialty Products Division expanded its industrial gum and chemical activities as it did its line of food ingredients. New Genfloc brand synthetic gum and Gendriv natural gum derivatives were introduced to the paper, mining, petroleum and other chemical industries. These new products are finding application as aids to fluid retention and as stabilizers, flocculants, film formers, coagulants, carriers and emulsifiers.

International Operations

General Mills' international operations progressed during the year through a broad program planned to utilize the company's technology and skills in overseas markets.

On November 1, 1966, General Mills joined with Dai-Ichi Kogyo Seiyaku Co., Ltd., a leading Japanese chemical company, to organize Dai-Ichi General Limited for the manufacture and marketing of specialty chemical products in Japan. Construction of a plant has begun, and production is expected to get under way during 1967-68. Morinaga General Mills, Limited, a joint venture by General Mills and Morinaga Confectionery Company, announced last year, formulated and tested a series of food products for introduction in the Japanese consumer market.

With a group of Panamanian businessmen, General Mills formed a company, General Mills de Panama, S.A., to construct a flour mill in Panama. The new plant is scheduled to be in operation by the end of this calendar year. General Mills and three Chilean industrialists also formed General Mills de Chile Alimentos, S.A.C.I., a Chilean based concern that will produce and market Gold Medal Flour and Betty Crocker mixes for local consumption and for export to neighboring South American countries.



Milling operations in Guatemala, Nicaragua and Venezuela completed another year of sound business operation as did the company's chemical plant in Mexico. Sales of mixes produced in Guatemala for the Central American market expanded.

In February, 1966, General Mills acquired a 10 per cent interest in Smith's Potato Crisps Limited, London, England, a prominent snack producer with facilities in Great Britain, Holland, Belgium and Australia plus minority interests in French, Danish and Irish companies. During the past year, General Mills purchased an additional 885,000 shares of Smith's Crisps stock, bringing the company's holdings in Smith's to 2,103,294 shares, or approximately 18 per cent.

Sales of consumer foods in Canada continued to climb with both breakfast cereals and mixes recording gains over the previous year. Canadian operations were expanded by acquisition of Toronto Macaroni & Imported Foods Limited of Toronto, effective with the first day of fiscal 1966-67. The new subsidiary company progressed well, enjoying a year of growth while increasing its production capacity.

In May, 1967, General Mills announced plans to purchase Polymer Investments Limited of Australia, manufacturer of synthetic resins, polymer latexes, plasticizers, emulsifiers, paint additives and surfactants. General Mills has made a formal offer to all stockholders of Polymer to purchase both the Australian and New Zealand operations of the company. Formed in 1927, Polymer Investments Limited sells its products to the paint, ink, plas-



tics, adhesives, textile, paper coating, food and petroleum industries. Its Australian plant is located in Homebush, a western suburb of Sydney, and its New Zealand plant in Otahuhu, a suburb of Auckland.

Rainbow Crafts Products

General Mills maintained its interest in the rapidly growing market for educational and recreational products for children. Fiscal 1966-67 was the first full year in which Rainbow Crafts, Inc., of Cincinnati, Ohio, acquired in October, 1965, operated as a part of General Mills. During this first year, sales of the subsidiary reached a record high. Play-Doh, one of Rainbow Crafts' key products,



continued as the nation's most popular modeling compound. Playnts, new bright, colorful poster paints in specially designed spill-proof containers, recorded sales gains as they moved into more complete national distribution.

Rainbow Crafts creative products demonstrated their universal appeal by moving successfully into international markets. Children in Japan, England and the European continent are becoming as familiar with Play-Doh and Playnts as their American counterparts.

Research

General Mills continued to prepare for the future by expanding its vigorous scientific

program, investing \$9,800,000 in research during 1966-67 as compared with \$8,600,000 the year before. Research expenditures per dollar of sales were 1.6 cents, an increase of .7 cent in the past five years. During the same five year period, the research staff has grown from 453 to 710.

From this expanding program came 14 new food products released to operating divisions for national or regional distribution. Eighteen others were made available for large-scale tests, and seven existing products were improved. Seven new industrial products were developed for the Chemical and Specialty Products Divisions as were six new or modified processes.

Capital Expenditures

Gross expenditures for plant and equipment in 1966-67 totaled \$27,500,000. This represents a decrease of \$18,900,000 from the record capital expenditure of \$46,400,000 in the previous year, when major new facilities for the production of snacks were completed at West Chicago, Ill., and Lancaster, Ohio.

Two of the year's major capital projects involved expanding and improving facilities in Canada. Production lines for the company's revolutionary snacks, Bugles, Whistles and Daisy*s, have been installed at the package foods plant in Toronto, and the plant of Toronto Macaroni & Imported Foods Limited has been expanded. Construction has also started on a substantial new addition to the sandwich plant and an expanded distribution warehouse of Tom Huston Peanut Company

at Columbus, Ga. All of these new facilities are expected to be fully operational by the middle of 1967-68.

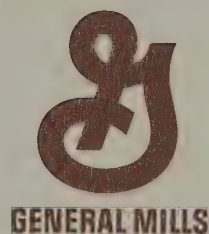
Advertising

With a growing line of products for a growing population, advertising becomes increasingly important to success. General Mills' expenditures for advertising media amounted to \$49,400,000 in 1966-67 — an increase of 13 per cent over those of the previous year. They represented 8.2 cents per dollar of sales.

The Betty Crocker coupon plan, through which General Mills' consumer food packages carry coupons redeemable for silverware, crystalware, kitchenware and similar valuable items, attained new heights of popularity. Redemptions were at an all-time high, six per cent over those of 1965-66.

Fun Foods and other products of Morton Foods, Inc., are favorites in homes and restaurants of the southwestern United States. Morton, a part of General Mills since 1964, has introduced a new trademark — colorful pennants crossed to form the letter "M."





General Mills, Inc. Financial Data 1967

CONTENTS

Financial Statements	B-C
Notes to Financial Statements	D-E-F
Sources and Uses of Working Capital	G
Accountants' Report	G
10 Years in Review	H-I
Historical Statement of Financial Position	J
Sales	J
Common Stock Ownership	K
General Mills Today	L
Plant Locations	L



GENERAL MILLS

General Mills, Inc., and its consolidated subsidiaries

Results of Operations

	52 Weeks Ended	
	May 28, 1967	May 29, 1966
	(in thousands)	
SALES OF PRODUCTS AND SERVICES	\$602,536	\$570,899
COSTS:		
Costs of products and services sold, exclusive of items shown below	386,607	375,988
Depreciation (Note 4)	11,973	11,018
Interest	4,608	3,409
Contributions to employees' retirement plans (Note 9)	1,409	1,626
Profit sharing distribution	2,400	2,113
Selling, general and administrative expenses	139,217	126,768
TOTAL	546,214	520,922
EARNINGS BEFORE TAXES ON INCOME	56,322	49,977
TAXES ON INCOME (Note 7)	27,866	22,252
EARNINGS BEFORE EXTRAORDINARY ITEMS	28,456	27,725
EXTRAORDINARY ITEMS, net of applicable income tax of \$2,004,000	—	(1,381)
NET EARNINGS (Note 1)	\$ 28,456	\$ 26,344
PER SHARE OF COMMON STOCK, in dollars (Note 8):		
Earnings before extraordinary items	\$ 3.36	\$ 3.27
Extraordinary items	—	(.18)
Net earnings	\$ 3.36	\$ 3.09
Average number of common shares outstanding	7,610	7,588

Earnings Employed in the Business

	52 Weeks Ended	
	May 28, 1967	May 29, 1966
	(in thousands)	
NET EARNINGS FOR THE YEAR	\$ 28,456	\$ 26,344
DIVIDENDS:		
\$1.75 cumulative convertible preference stock	2,416	—
Common stock (\$1.50 per share, 1967, and \$1.40 per share, 1966)	11,416	10,631
Pooled company, prior to date acquired	—	1,727
TOTAL	13,832	12,358
NET EARNINGS IN EXCESS OF DIVIDENDS	14,624	13,986
Adjustment for net earnings of Tom Huston Peanut Company for the period May 29, 1966, to August 27, 1966, which are duplicated in net earnings for the two years reported above (Note 1)	(1,110)	—
Provision for expenses of dissolution and liquidation of pooled company	—	(91)
NET INCREASE IN EARNINGS EMPLOYED IN THE BUSINESS	13,514	13,895
EARNINGS EMPLOYED AT BEGINNING OF YEAR	128,989	115,094
EARNINGS EMPLOYED AT END OF YEAR (Note 6)	\$142,503	\$128,989

See accompanying notes to consolidated financial statements on following pages.

Financial Position

May 28, 1967

May 29, 1966

(in thousands)

CURRENT ASSETS:

Cash	\$ 7,033	\$ 10,207
Short-term marketable securities (at cost, approximates market value)	55,178	42,392
Receivables (Note 2)	38,711	41,047
Inventories (Note 3)	50,673	49,291
Prepaid expenses	5,223	4,480
TOTAL	156,818	147,417

CURRENT LIABILITIES:

Notes payable	1,839	4,300
Accounts payable and accrued expenses	40,677	42,649
Accrued taxes	19,458	14,599
Thrift accounts of officers and employees	3,092	3,095
Dividends payable	710	—
TOTAL	65,776	64,643

WORKING CAPITAL	91,042	82,774
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OTHER ASSETS:

Land, buildings and equipment (Note 4)	174,005	163,493
Investments, installment receivables and miscellaneous assets	22,978	18,935
Future Federal income tax benefits (Note 7)	6,750	8,556
Goodwill, patents, trade names and other intangibles (Note 5)	6,290	1,971
TOTAL	210,023	192,955

WORKING CAPITAL AND OTHER ASSETS	301,065	275,729
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LONG-TERM DEBT, RESERVES AND DEFERRED LIABILITIES:

Long-term debt (Note 6)	90,337	80,370
Deferred Federal income taxes (Note 7)	6,884	4,722
Reserve for disposition losses	6,228	8,010
Other reserves and deferred credits	4,616	3,886
TOTAL	108,065	96,988

EXCESS OF ASSETS OVER LIABILITIES AND RESERVES	\$193,000	\$178,741
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STOCKHOLDERS' EQUITIES (Notes 8 and 9):

Preference stock	\$ 5,132	\$ 5,201
Common stock	52,349	51,673
Earnings employed in the business	142,503	128,989
Common stock in Treasury (deduct)	(6,984)	(7,122)

TOTAL STOCKHOLDERS' EQUITIES	\$193,000	\$178,741
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See accompanying notes to consolidated financial statements on following pages.



GENERAL MILLS

Notes to Consolidated Financial Statements

1. PRINCIPLES OF REPORTING AND CONSOLIDATION

The consolidated financial statements include the accounts of General Mills, Inc., and all active wholly owned subsidiaries. Investments in foreign subsidiaries not wholly owned, which in the aggregate would not constitute a significant subsidiary, are included in investments at cost.

On August 27, 1966, the company acquired the assets and business of Tom Huston Peanut Company in exchange for 1,644,605 shares of \$1.75 cumulative convertible preference stock. This acquisition has been accounted for as a pooling of interests. Tom Huston Peanut Company operated on a fiscal year ending the

last Saturday of August. Consequently, the accompanying statement of financial position includes the accounts of that company and its wholly owned subsidiary as of May 28, 1967, and August 27, 1966. The statement of results of operations includes their annual operations for the 52 weeks ended in May of 1967 and August of 1966, respectively.

In addition to several minor adjustments, the 1966 financial statements, included for comparative purposes, have been restated to include in the results of operations an extraordinary charge and credit originally included in earnings employed in the business.

2. RECEIVABLES

	May 28, 1967	May 29, 1966
Customer.....	\$ 37,292,000	\$ 36,222,000
Miscellaneous.....	2,513,000	6,005,000
	<u>39,805,000</u>	<u>42,227,000</u>
Less allowance for possible losses.....	1,094,000	1,180,000
	<u>\$ 38,711,000</u>	<u>\$ 41,047,000</u>

3. INVENTORIES

	May 28, 1967	May 29, 1966
Package foods, chemical products, etc., at lower of cost or market.....	\$ 30,420,000	\$ 27,850,000
Grain for processing and flour at market, after appropriate adjustments for open cash trades, unfilled orders, etc.....	12,718,000	13,481,000
Containers, supplies, etc. at cost.....	6,154,000	6,699,000
	<u>49,292,000</u>	<u>48,030,000</u>
Advances on grain and other commodities.....	1,381,000	1,261,000
	<u>\$ 50,673,000</u>	<u>\$ 49,291,000</u>

4. LAND, BUILDINGS AND EQUIPMENT

	May 28, 1967	May 29, 1966
Buildings and equipment.....	\$280,212,000	\$265,578,000
Less accumulated depreciation.....	98,951,000	92,863,000
Depreciated cost of buildings and equipment.....	181,261,000	172,715,000
Land.....	6,548,000	6,619,000
	<u>187,809,000</u>	<u>179,334,000</u>
Provision for losses on disposition of facilities.....	13,804,000	15,841,000
Net value.....	<u>\$174,005,000</u>	<u>\$163,493,000</u>

Land, buildings and equipment are stated substantially at cost. Depreciation included in the accompanying

financial statements for the most part has been provided by the straight-line method.

5. GOODWILL, PATENTS, TRADE NAMES AND OTHER INTANGIBLES

This amount represents the excess of cost over the net tangible asset values of companies acquired for consideration other than General Mills stock, and it includes costs allocated to patents and patent applications. Ex-

cept for patent costs, which are charged against operations over the remaining lives of the patents, it is the policy of the companies to carry intangibles at cost.

6. LONG-TERM DEBT

	May 28, 1967	May 29, 1966
Five-year 1% above prime rate note, due August 1, 1971	\$ 10,000,000	\$ —
Three 20-year 3½% promissory notes of \$5,000,000 each, payable August 1, 1972, May 1, 1974, and May 1, 1975	15,000,000	15,000,000
Three 25-year 4¼% promissory notes of \$10,000,000 each, payable May 1, 1982, May 1, 1983, and May 1, 1984	30,000,000	30,000,000
4%% sinking fund debentures, due August 1, 1990	35,000,000	35,000,000
Miscellaneous mortgage loans (excluding current portion)	337,000	370,000
	<u>\$ 90,337,000</u>	<u>\$ 80,370,000</u>

Sinking fund and principal payments due on long-term debt do not exceed \$100,000 annually during the next three years and aggregate \$1,445,000 and \$11,446,000 in the fiscal years ending in 1971 and 1972, respectively. The terms of the promissory note agreements place

restrictions on the payment of dividends and capital stock purchases and redemptions. At May 28, 1967, \$62,302,000 of earnings employed in the business was free of such restrictions.

7. FEDERAL TAXES ON INCOME

A provision of \$2,162,000 has been charged to the current year's operations for deferred Federal income taxes payable in future years arising from the major net differences between tax and book income, principally the excess of tax over book depreciation. The investment credit for 1967, \$729,000 (\$2,490,000 in 1966),

was credited to the provision for income tax expense for the year. Future Federal income tax benefits applicable to provisions for disposition losses made in prior years is used to reduce the tax liability in years when such losses become tax deductions.

8. STOCKHOLDERS' EQUITIES

	May 28, 1967		May 29, 1966	
	Shares	Amount	Shares	Amount
\$100 par value cumulative prior preferred stock:				
Authorized	500,000		500,000	
Issued	—		—	
No par value cumulative preference stock:				
Authorized	2,000,000		2,000,000	
Issued—\$1.75 voting cumulative convertible	1,623,026	\$ 5,132,000	1,644,605	\$ 5,201,000
Common stock—\$3 par value:				
Authorized	11,500,000		11,500,000	
Reserved for issuance under stock option plans:				
Options outstanding	184,531		132,486	
Available for grant	228,800		300,000	
Reserved for conversion of convertible preference stock	1,379,572		—	
Issued at stated value	7,789,604	52,349,000	7,753,110	51,673,000
Earnings employed in the business		142,503,000		128,989,000
Common stock in Treasury, at cost (deduct)	(155,276)	(6,984,000)	(158,594)	(7,122,000)
		<u>\$193,000,000</u>		<u>\$178,741,000</u>

The \$1.75 cumulative convertible preference stock outstanding is convertible into common stock at the option of the holder at a rate of .85 of a share of common stock for each share of preference stock and is subject to antidilution provisions. During the year, 21,579 shares of preference stock were converted into 18,339 shares of common stock. This preference stock is re-

deemable after August 26, 1971, at a price of \$65 per share, declining at the rate of \$1.00 per share each August 26 until 1976, after which it is redeemable at \$60 per share. In the event of involuntary liquidation, the holder of these preference shares shall receive \$60 per share, an aggregate of \$97,382,000, plus accrued dividends. The difference of \$92,250,000 between the

Continued on next page

Notes to Consolidated Financial Statements *Continued*

aggregate involuntary liquidation value and the stated value of the preference stock, \$5,132,000, does not result in a restriction of earnings employed in the business in excess of the restriction imposed by the terms of the long-term debt agreement.

Holders of shares of \$1.75 preference stock are entitled to .85 of a vote per share, and holders of common stock are entitled to one vote per share on all matters upon which stockholders generally have the right to vote.

Per share data reflected in the results of operations statement are based on the average number of common shares outstanding during each year, after recognition of pro forma dividend requirements, \$2,863,000

(\$2,878,000 in 1966), on the \$1.75 cumulative convertible preference stock. Based on the assumption of complete conversion of the preference stock into common shares and elimination of the preference dividend requirements, earnings per share of common stock for the 52 weeks ended May 28, 1967, are \$3.16 (\$3.08 before extraordinary items for 1966).

The company has stock option plans for its officers and employees with varying provisions. In general, these plans provide for termination of options at either five or 10 years after date of grant with certain exceptions due to death, disability or retirement. Options are granted at not less than 100% of fair market value. Information on stock option transactions during the year is shown below:

Stock Option Transactions for the 52 Weeks ended May 28, 1967		
	Shares	Option Price per share
Granted	71,800	\$55.81—\$69.38
Became exercisable	29,250	61.69
Exercised	18,155	25.63 — 40.44
Expired	1,600	55.81 — 61.69
Outstanding at end of year to 170 officers and employees	184,531	25.63 — 69.38

9. OTHER MATTERS

The company and its subsidiaries have several pension plans covering substantially all of their employees. Total pension expense for the year includes, as to certain of the plans, amortization of prior service cost over a period of 40 years. It is the companies' policy to fund pension cost accrued. Based on actuarial determinations, the plans are fully funded with respect to all vested benefits.

Commitments at May 28, 1967, for unexpended appropriations for property additions and improvements and for the cash purchases of several businesses (some under contracts signed after May 28, 1967) amounted to approximately \$54,000,000.

There was no litigation pending at May 28, 1967, not provided for in the accounts, which in the opinion of management, would have a significant effect on the financial position of the company.

The Board of Directors has proposed amendments to the company's Certificate of Incorporation to be acted upon at the annual stockholders' meeting August 22, 1967, that would: (1) eliminate the authorization to issue 500,000 shares of cumulative prior preferred stock;

(2) increase the authorized shares of the company's cumulative preference stock from 2,000,000 shares to 5,000,000 shares; (3) create a new class of 1,000,000 shares of no-dividend \$3.00 par value class B common stock; (4) increase the authorized shares of the company's common stock from 11,500,000 shares to 30,000,000 shares; (5) divide the shares of the company's common stock (other than class B) two for one; and (6) reduce the par value of the company's common stock (other than class B) from \$3.00 per share to \$1.50 per share.

On June 26, 1967, the Boards of Directors of the company and F. M. Stamper Company approved an agreement for the acquisition by General Mills of the business and assets of Stamper and its subsidiaries in exchange for 980,000 shares of \$1.75 series B cumulative convertible preference stock, and 767,000 shares of no-dividend \$3.00 par value class B common stock. This contract is subject to termination prior to closing by either party under a number of conditions and subject to approval by the stockholders of both General Mills, Inc., and F. M. Stamper Company.

General Mills, Inc., and its consolidated subsidiaries

Sources and Uses of Working Capital

	52 Weeks Ended	
	May 28, 1967	May 29, 1966
	<i>(in thousands)</i>	
Working Capital Provided By:		
Earnings (before extraordinary items for 1966)	\$28,456	\$27,725
Add expenses not requiring cash outlays:		
Depreciation	11,973	11,018
Deferred Federal income taxes and other items	3,817	2,075
Total working capital provided from operations	44,246	40,818
Increase in long-term debt	9,967	35,003
Sale of stock upon exercise of options	607	765
Other items—net	279	(469)
TOTAL WORKING CAPITAL PROVIDED	55,099	76,117
Working Capital Used For:		
Net additions to plant and equipment	22,851	43,240
Dividends	13,832	12,358
Purchase of common stock for Treasury	24	1,302
Investments in partially owned companies	2,497	5,296
Intangible and fixed assets—purchased companies	5,401	—
Increase in installment receivables—net	2,226	2,754
TOTAL WORKING CAPITAL USED	46,831	64,950
NET INCREASE IN WORKING CAPITAL	8,268	11,167
WORKING CAPITAL AT BEGINNING OF YEAR	82,774	71,607
WORKING CAPITAL AT END OF YEAR	\$91,042	\$82,774

Working Capital is the excess of current assets over current liabilities. It represents the "liquid" or "working" funds which support the regular operations of the business.

In August, 1966, the company borrowed \$10,000,000 on a five-year note. In addition, after deduction of dividends, the year's operations provided about \$30,400,000 in working capital. During the year, net investment in new plant facilities amounted to \$22,800,000. Overall,

working capital increased \$8,300,000 during the year to \$91,000,000 on May 28, 1967. Of this total working capital, \$35,800,000 was in use in the form of inventories, amounts due from customers, prepaid expenses and operating cash requirements—after deduction of current liabilities. The balance of \$55,200,000 was invested in short-term securities and is available for plant expansion, acquisitions and for increases in inventories and receivables needed for higher sales.

Accountants' Report

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

NORTHWESTERN BANK BUILDING

MINNEAPOLIS, MINN. 55402

The Stockholders and the Board of Directors
General Mills, Inc.:

July 13, 1967

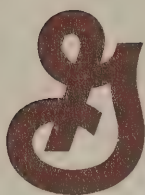
We have examined the statement of financial position of General Mills, Inc. and consolidated subsidiaries as of May 28, 1967, and the related statements of results of operations and earnings employed in the business and the statement of sources and uses of working capital for the 52 weeks then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statement of financial position and statements of results of operations and

earnings employed in the business present fairly the financial position of General Mills, Inc. and consolidated subsidiaries at May 28, 1967, and the results of their operations for the 52 weeks then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year as restated. Also, in our opinion, the accompanying statement of sources and uses of working capital presents fairly the information shown therein.

Peat, Marwick, Mitchell & Co.

10 Years in Review



GENERAL MILLS

EXCLUDES Tom Huston Peanut Company (1966 and prior years), Morton Foods, Inc. (1963 and prior years) and Gold Medal Insurance Co. (1966 and prior years).

As reported in past years.

RESTATED to include Tom Huston Peanut Company (acquired August 27, 1960) and Morton Foods, Inc. (acquired February 28, 1964), both of which are accounted for on a "pooling of interests" basis from 1958, and Gold Medal Insurance Co. (incorporated 1963).

As suggested in recently published opinions of the American Institute of Certified Public Accountants.

	May 1967
Sales	\$602
Earnings before extraordinary items	\$ 28
Net earnings	\$ 28
Dividends—common stock	\$ 1
—preferred and preference stock	\$ 2
Earnings before extraordinary items in excess of dividends	\$ 14
Per share of common stock (in dollars)*	
Earnings before extraordinary items	\$ 3
Net earnings	\$ 3
Dividends	\$ 1
Common shares outstanding at year end*	7,6
Preferred shares outstanding at year end	1,6
Preference shares outstanding at year end	1,6
Number of stockholders	29,2
Market price range—common stock (in dollars)*	\$73½-
—preference stock	\$61½-

	May 1967
Sales	\$602
Income Taxes	\$ 28
Earnings before extraordinary items	\$ 28
Extraordinary items (net of income taxes)	\$ 28
Net earnings	\$ 28
Earnings before extraordinary items per sales dollar	4
Per share of common stock (in dollars)*	
Earnings before extraordinary items	\$ 3
Net earnings	\$ 3
Taxes (Federal, State, Local)	\$ 4
Number of employees	12,0

Net earnings have been restated to include extraordinary charges or credits such as provisions for losses and costs for liquidation of discontinued operations. Formerly, such extraordinary items were charged or credited directly to earnings employed in the business. This change complies with recently published opinions of the Accounting Principles Board of the American Institute of Certified Public Accountants.

dollars in millions and shares outstanding in thousands

52 Weeks Ended

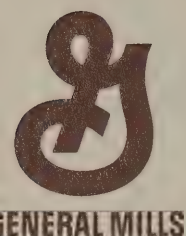
May 29	May 30	Years Ended May 31						
1966	1965	1964	1963	1962	1961	1960	1959	1958
524.7	559.0	541.3	523.9	546.4	575.5	537.8	546.0	529.8
23.3	20.4	17.2	14.9	10.2	12.8	11.5	16.8	14.7
21.9	7.6	13.0	14.9	8.6	12.8	11.5	16.8	14.7
10.6	9.9	9.2	8.7	8.7	8.6	8.1	6.9	6.8
—	.3	1.1	1.1	1.1	1.1	1.1	1.1	1.1
12.7	10.2	6.9	5.1	.4	3.1	2.3	8.8	6.8
3.07	2.65	2.11	1.90	1.25	1.63	1.46	2.26	1.98
2.89	.97	1.56	1.90	1.03	1.63	1.46	2.26	1.98
1.40	1.30	1.20	1.20	1.20	1.20	1.15	1.00	1.00
7,595	7,585	7,625	7,251	7,224	7,193	7,139	6,964	6,857
—	—	221	221	221	221	221	221	221
—	—	—	—	—	—	—	—	—
27,151	28,650	32,700	30,000	28,400	23,500	19,100	14,560	14,250
64-52	63½-38%	42%-32%	38-22%	38%-21½	37-24%	38%-23%	40%-24%	25%-18%
—	—	—	—	—	—	—	—	—

52 Weeks Ended

May 29	May 30	Years Ended May 31						
1966	1965	1964	1963	1962	1961	1960	1959	1958
570.9	602.3	581.8	586.1	600.6	619.5	575.4	581.0	560.9
22.3	23.7	20.3	18.7	13.4	15.5	13.7	20.3	19.0
27.7	24.4	20.6	18.6	13.7	16.0	13.7	18.9	16.5
(1.4)	(12.8)	(4.2)	—	(1.6)	—	—	—	—
26.3	11.6	16.4	18.6	12.1	16.0	13.7	18.9	16.5
4.9¢	4.0¢	3.5¢	3.2¢	2.3¢	2.6¢	2.4¢	3.3¢	2.9¢
3.27	2.79	2.18	1.88	1.25	1.56	1.27	1.99	1.69
3.09	1.11	1.63	1.88	1.05	1.56	1.27	1.99	1.69
3.78	3.98	3.52	3.26	2.60	2.87	2.55	3.37	3.16
11,918	12,268	11,982	13,460	15,095	16,463	15,364	15,040	14,734

*Adjusted for three-for-one split in August, 1959. Per share of common stock for 1967 and 1966 are based on the average shares outstanding during year.

†Earnings per share are computed as though preference stock issued in connection with the Tom Huston Peanut Company acquisition had been outstanding and dividends paid thereon in all periods; they, therefore, tend to be depressed during the early years reported.



General Mills, Inc., and its consolidated subsidiaries

Statement of Consolidated Financial Position* *dollars in millions*

May 28

1967

WORKING CAPITAL
OTHER ASSETS
OTHER LIABILITIES
NET ASSETS
STOCKHOLDERS' EQUITIES

Current assets	\$156.8
Current liabilities	\$ 65.8
TOTAL WORKING CAPITAL	\$ 91.0

Land, buildings and equipment	\$174.0
Miscellaneous assets	\$ 29.7
Goodwill and other intangibles	\$ 6.3

Long-term debt	\$ 90.3
Reserves and deferred credits	\$ 17.7

EXCESS OF ASSETS OVER LIABILITIES AND RESERVES	\$193.0
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Preferred stock—5% cumulative	\$ —
Convertible preference stock—\$1.75 cumulative	\$ 5.1
Common stock outstanding	\$ 45.4
Earnings employed in the business	\$142.5
TOTAL STOCKHOLDERS' EQUITIES	\$193.0

Other Statistics* *dollars in millions*

Fiscal Years 1967

Net expenditures for plant and equipment	\$ 22.8
Central research expenditures	\$ 9.8
Advertising media expenditures	\$ 49.4
Wages, salaries and employee benefits	\$ 98.9
Depreciation	\$ 12.0

Sales* *dollars in millions*

	1967		1966		1965		1962	
TOTAL	\$602.5	100.0%	\$570.9	100.0%	\$602.3	100.0%	\$600.6	100.0%
Food Products	566.0	93.9	524.4	91.9	567.8	94.3	470.3	78.3
Consumer Foods	458.4	76.1	406.5	71.2	381.1	63.3	295.7	49.2
Cereals & Snacks	221.6	36.8	188.6	33.0	173.5	28.8	121.0	20.1
Mixes, Family Flour & Other ..	236.8	39.3	217.9	38.2	207.6	34.5	174.7	29.1
Bakery Flour, Food Service & Other Foods	107.6	17.8	117.9	20.7	186.7	31.0	174.6	29.1
Specialty Chemicals	29.5	4.9	27.4	4.8	22.2	3.7	17.2	2.8
Other	5.8	1.0	3.1	.5	.1	—	—	—
Discontinued Operations	1.2	.2	16.0	2.8	12.2	2.0	113.1	18.9

*Restated to include the Tom Huston Peanut Company (acquired August 27, 1966) and Morton Foods, Inc. (acquired February 28, 1964), both of which are accounted for on a "pooling of interest" basis from 1958, and the Gold Medal Insurance Co. (incorporated 1963) from 1963.

May 29	May 30	May 31						
1966	1965	1964	1963	1962	1961	1960	1959	1958
147.4	139.6	159.0	157.2	143.1	148.7	131.8	145.6	131.4
64.6	68.3	57.4	53.2	45.6	59.6	43.8	47.1	42.5
82.8	71.3	101.6	104.0	97.5	89.1	88.0	98.5	88.9
163.5	134.4	130.6	129.2	127.0	133.2	126.8	111.6	100.1
27.4	21.8	11.3	9.6	8.0	5.5	5.7	4.7	3.0
2.0	3.3	3.2	3.9	4.5	4.6	4.0	2.4	2.4
80.4	45.4	45.7	46.4	46.3	46.7	45.7	45.5	35.5
16.6	20.2	7.2	6.3	5.5	5.2	5.4	5.4	5.2
178.7	165.2	193.8	194.0	185.2	180.5	173.4	166.3	153.7
—	—	22.1	22.1	22.1	22.1	22.1	22.1	22.1
5.2	5.2	5.4	5.4	5.4	3.1	3.0	2.4	2.2
44.5	44.9	47.7	52.8	51.4	48.5	47.0	43.8	41.6
129.0	115.1	118.6	113.7	106.3	106.8	101.3	98.0	87.8
178.7	165.2	193.8	194.0	185.2	180.5	173.4	166.3	153.7

1966	1965	1964	1963	1962	1961	1960	1959	1958
43.2	26.1	14.1	12.7	10.9	11.4	21.2	18.4	16.5
8.6	7.4	6.7	6.4	5.7	5.4	4.4	3.7	3.1
43.8	44.8	42.4	36.3	32.5	34.1	32.8	34.3	26.5
92.1	91.9	90.0	98.9	100.8	101.5	92.1	87.8	83.6
11.0	9.2	9.2	8.9	8.7	9.4	8.4	7.6	6.9

Common Stock Ownership *as of May 28, 1967*

	Number of Holders	% of Total Holders	Number of Shares†	% of Total Shares Outstanding
TOTAL.....	26,070	100.0	7,634,000	100.0
Total individuals.....	21,730	83.4	3,062,000	40.1
Women.....	9,200	35.3	1,408,000	18.4
Men.....	7,540	28.9	1,372,000	18.0
Joint accounts.....	4,990	19.2	282,000	3.7
Banks and firms.....	350	1.3	647,000	8.5
Trustees, guardians, executors.....	2,810	10.8	417,000	5.4
Societies and institutions.....	190	.7	131,000	1.7
Brokers.....	170	.7	241,000	3.2
Nominees**.....	820	3.1	3,136,000	41.1

**Form of registration often used for estates, personal and pension trusts, investment funds and safe keeping or custody accounts.

†Does not include Treasury stock.

General Mills Today

CHEMICAL DIVISION produces a broad line of specialty chemicals for home and industry. These include Versamid and Versalon polyamide resins (for use in inks, coatings, adhesives and packaging), organic nitrogen derivatives (for textiles, mining, petroleum and cosmetics), DDI isocyanates (chemical intermediates), LIX liquid ion exchange systems (for mineral refining), O-CEL-O sponges, soy sterols (for cortisone, hydrocortisone and anti-inflammation drugs), tocopherol (for vitamin E production) and vitamin E and vitamin A products.

FLOUR and FOOD SERVICE DIVISION markets prepared baking mixes, a variety of sauce and specialty mixes, individual size breakfast cereals, processed potato products and snacks to such mass feeding establishments as restaurants, hotels, institutions and vending operations. The division also operates the company's flour mills and grain elevators, serves the baking industry with bulk flour, branded flour and bakery mixes, produces family flour and ingredient flour for the Grocery Products Division, merchandises grain and markets oat products.

GROCERY PRODUCTS DIVISION, the company's largest, produces and markets Big G breakfast cereals, Gold Medal "Kitchen-tested" Flour and Gold Medal Wondra instantized flour, a new line of snacks and cake, cookie, biscuit, pancake, muffin, pie crust, frosting and pudding cake mixes, casserole dishes and instant potato products, under the Betty Crocker label. The division is constantly exploring new product areas.

INTERNATIONAL DIVISION is directly responsible for consumer food operations in Europe, Mexico, Canada and Japan, specialty chemical operations in Japan and Mexico, milling operations in Central and South America and the export of flour and consumer products. It also coordinates overseas operations of the company.

SPECIALTY PRODUCTS DIVISION sells a line of *food ingredients*, including wheat starches, natural gums, fruit

drink concentrates, flavor intensifiers, vitamin concentrates, wheat gluten, and *industrial gums and chemicals* such as starches, natural gum specialties, gum derivatives, synthetic gums, release agents and anti-static agents. This division also markets Sno*Flok, a decorating kit for Christmas trees and other ornaments.

SPERRY OPERATIONS are responsible for the business of the Flour and Food Service Division and Grocery Products Division in the western United States.

WHOLLY OWNED AND ACTIVE SUBSIDIARIES:

General Mills Cereals, Ltd., Canada, package foods; General Mills de Mexico, S.A., specialty chemicals; General Mills de Venezuela, S.A., flour; General Mills Inc. (a Panamanian corporation), worldwide marketing of vegetable gums, flour and baking mixes in Guatemala; Gold Medal Insurance Co., selected coverage of General Mills properties; Tom Huston Peanut Company, confections, chips, nut products; Morton Foods, Inc., snack and other foods; Rainbow Crafts, Inc., creative toys; Toronto Macaroni & Imported Foods Limited, Canada, macaroni and related products; Tragasol Products Limited, England, vegetable gums.

PARTIALLY OWNED AND ACTIVE SUBSIDIARIES:

Dai-Ichi General Limited, Japan, specialty chemicals; General Mills de Panama, S.A., flour; Habib-General Limited, Karachi, Pakistan, guar gums; Industria del Maiz, S.A., Guatemala, corn flour; Industrias Gem-Ina, S.A., Nicaragua, flour; Morinaga General Mills, Limited, Japan, convenience foods; General Mills de Chile Alimentos, S.A.C.I., cake mixes and family flour.

OTHER COMPANIES IN WHICH GENERAL MILLS HAS AN INTEREST:

Grandes Molinos de Venezuela, S.A., flour; Heudebert, S.A., France, rusks, bread and biscuits; Smith's Potato Crisps Limited, England, snack foods.

Plant Locations

PACKAGE FOODS PLANTS

Buffalo, New York
Chicago, Illinois
Lancaster, Ohio
Los Angeles, California
Toledo, Ohio
Toronto, Canada
West Chicago, Illinois

CHEMICAL PLANTS

Kankakee, Illinois
Oasining, New York
Tlalneapantla, Mexico
Tonawanda, New York

SPECIALTY PRODUCTS PLANTS

Hooton, England
(Tragasol Products Limited)

Karachi, Pakistan
(Habib-General Limited)
Kenedy, Texas
Keokuk, Iowa

FOOD SERVICE PLANT

St. Charles, Illinois

MORTON FOODS PLANTS

Albuquerque, New Mexico
Corpus Christi, Texas
Dallas, Texas
El Paso, Texas
Farmers Branch, Texas
Fort Worth, Texas
Lubbock, Texas
Tulsa, Oklahoma

RAINBOW CRAFTS PLANTS

Cincinnati, Ohio
Cucamonga, California

RESEARCH LABORATORIES

Minneapolis, Minnesota

FLOUR MILLS

Avon, Iowa
Buffalo, New York
Chicago, Illinois
Great Falls, Montana
Johnson City, Tennessee
Kansas City, Missouri
Los Angeles, California
Vallejo, California

TERMINAL ELEVATORS

Duluth, Minnesota
Enid, Oklahoma
Minneapolis, Minnesota
Pocatello, Idaho

FLOUR PACKAGING PLANT

Louisville, Kentucky

PURITY OATS PLANT

Minneapolis, Minnesota

BAG FACTORY

Vallejo, California

COUNTRY ELEVATORS

48 in Idaho, Kansas, Montana, Oklahoma and Utah

TOM HUSTON PLANTS

Columbus, Georgia
Corsicana, Texas
Knoxville, Tennessee
Macon, Georgia
Salem, Virginia

BETTY CROCKER'S NEW KITCHENS OF THE WORLD

Elegant and Practical

Betty Crocker's exciting new Kitchens of the World began serving General Mills and the public in 1966. Their formal introduction to stockholders, employees, community leaders, trade and press representatives and consumers, in ceremonies spanning two weeks from August 18 through 31, was one of the most colorful events in General Mills' history.

Housed in a newly completed wing of the company's general office building near Minneapolis, the new home of America's "First Lady of Food" is a unique series of working kitchens and supporting facilities designed from the outset as an educational and interesting public exhibit as well as an important functional facility. It consists of eight imaginatively conceived kitchens, a dining room, indoor patio, offices, library and reception hall. Landscaped grounds and a terrace, including space for outdoor cooking, dramatize the entrance.

Seven of the kitchens, all used as working areas, are designed and decorated to represent seven regions of the United States and the world, each famous for distinctive cuisine. The featured regions are New England, Scandinavia, New Orleans, Latin America, California, Mediterranean countries and Japan. The eighth kitchen, equipped with an electronic oven and other special equipment, is used for food demonstrations to General Mills' marketing executives and advertising agencies. It also services the adjoining Betty Crocker dining room, where business guests of the company are entertained.

Functionally, the new kitchens are finely adapted tools for use by Betty Crocker home economists in developing new recipes, testing new products and providing service to homemakers. In an adjoining office area, 52 women write and edit Betty Crocker cookbooks, prepare educational film strips and every month answer an average of 4,000 letters and more than 1,000 phone calls from



CALIFORNIA KITCHEN features weathered redwood, vivid citrus colors and a hooded barbecue grill.



MEDITERRANEAN KITCHEN, with a pictorial view of Italy's famous Amalfi Drive, reflects the sea in walls of blue-green ceramic tile from Portugal, and a bright blue floor.



homemakers seeking friendly help and advice. They work under the direction of Miss Mercedes Bates, first woman Vice President in the history of General Mills.

Since the formal opening, when more than 20,000 men, women and children toured the new kitchens, the tide of monthly visitors has been rising. Guests now come from many parts of the world as the kitchens' fame spreads to the far corners of the earth, symbolizing General Mills' leadership in service to homemakers and progress toward better living for all.

Guided tours are now available daily, Monday through Friday, from 9:00 a.m. to 3:00 p.m. Stockholders, employees, their families and friends are cordially invited to see Betty Crocker service as it originates in its elegant and practical new home.

Four New Directors Elected to Board

Four new members were elected to the General Mills Board of Directors during 1966-67.

Philip B. Harris, Executive Vice President of the Northwestern National Bank of Minneapolis, was voted to board membership at the company's 1966 annual meeting, August 23. Mr. Harris is also a Director of the Great Northern Insurance Company of Minneapolis. He is Vice President and a Director of North Star Research and Development Institute and a Director of the Minneapolis War Memorial Blood Bank.

J. Wilbur Feighner, President of the Tom Huston Peanut Company, joined the General Mills Board of Directors on September 26, 1966, following acquisition of the Tom's organization by General Mills. At the same time,

he was named Vice President of the parent company. Mr. Feighner is a member of the Board of Directors of The First National Bank of Columbus, Ga., and has held other important positions in trade associations, private business and charitable organizations.

Louis W. Menk, President and a Director of the Northern Pacific Railway Company, was elected to the General Mills board on March 27, 1967. He serves also as a Director of two other railroads, of the First National Bank of Chicago, the First Trust Company of St. Paul and Hunt Foods & Industries, Inc., as well as a number of other organizations.

Burton W. Roberts, Vice President of General Mills, became a Director on May 22, 1967. Now responsible for the Flour and Food Service Division, Sperry (western) Operations and Morton Foods, Inc., he previously served seven years as General Manager of Sperry Operations headquartered in San Francisco.

A veteran of General Mills service, Lowry H. Crites, retired from General Mills' Board of Directors and as a Vice President of the company on February 1, 1967. A Director since May 24, 1965, Mr. Crites joined General Mills in Wichita Falls, Texas, in 1929, and became a corporate Vice President in 1960. In 1961, he was appointed General Manager of the Grocery Products Division and in 1965 became Administrator of Consumer Foods Activities. From September, 1966, until his retirement, he handled special assignments.

Henry S. Kingman, Chairman of the Board of the Farmers & Mechanics Savings Bank of Minneapolis, also retired from the board of General Mills after 20 years of distinguished service.

RECEPTION AREA
Here visitors are welcomed to the home of Betty Crocker.



During the year, the company was saddened by the death of Frank B. Burke, a retired Vice President and Director of General Mills and at one time President of the then Sperry (western) Division.

New "Office of the President" Tops Organizational Changes

Creation of a new "Office of the President" headed a list of administrative changes at General Mills during the 1966-67 fiscal year.

As part of the new office, James P. McFarland, Executive Vice President, who had been in



JAMES P. MCFARLAND,
Executive Vice President



Flour and Food Service Division operations range from grain merchandising through the production of commercial flours and oat products to the marketing of convenience foods for bakers, restaurants, hotels, institutions and cafeterias.

BETTY CROCKER LIBRARY
is a treasure house of recipes,
food lore, cooking facts and
historical information.



charge of all established domestic operations, has become even more intimately involved in all phases of the company's business, making it possible for Gen. Edwin W. Rawlings, President and Chief Executive Officer, to devote increasing attention to corporate growth.

Louis F. Polk, Jr., formerly Financial Vice President, became Vice President-Finance, International and Development. Two recent acquisitions—Rainbow Crafts, Inc., and the Tom Huston Peanut Company—report to Mr. Polk.

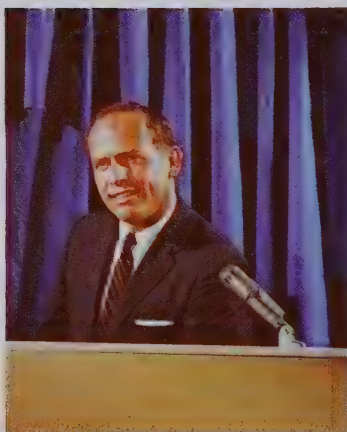
In other changes:

Sewall D. Andrews, Jr., formerly Vice President and General Manager of the Specialty Products Division, is now Vice President-Administrator, International, reporting directly to Mr. Polk.

William F. Mitchell, formerly Vice President and Corporate Administrative Officer for the Chemical and International Divisions, is now in charge of the Chemical and Specialty Products Divisions.

Fred M. Pugh, formerly Director of Marketing for the Specialty Products Division, now serves as General Manager of the division, replacing Mr. Andrews.

Burton W. Roberts, Vice President and Corporate Administrative Officer for the Flour



LOUIS F. POLK, JR.,
Vice President-Finance,
International and Development



Versalon 1140, amazing new adhesive resin introduced by the Chemical Division in 1966-67, is available in many forms. Offered with equipment in complete adhesive systems, it is now used by shoe, electronic and automotive industries.



SEWALL D. ANDREWS, JR.,
Vice President-
Administrator, International

The lady's dress and her dish of ice cream have something in common; both contain guar gum produced by General Mills. One of the popular, new paper models, the dress is strengthened with Quartec. The ice cream is free of ice crystals because of SuperCol. Soon my lady will savor a hamburger sandwich with a bun improved in volume and texture by Pro-Vim vital wheat gluten; meanwhile, she enjoys an orange drink prepared from a fruit concentrate, also a product of the company's Specialty Products Division.





NEW ENGLAND KITCHEN gains its cheerful country atmosphere from chestnut cabinetry, a beamed ceiling, an oak plank floor and a fireplace oven.

and Food Service Division and Sperry (western) Operations, has also been assigned responsibility for Morton Foods, Inc.

Donald F. Swanson, Vice President and General Manager of the Grocery Products Division, now reports directly to the President's Office.

Other administrative changes, not connected with this reorganization, were also made during the year.

Richard L. Schall, who became Treasurer of General Mills in February, 1966, was elected Controller effective May 1, 1967. He succeeds *James A. Summer*, who resigned as Vice President and Controller to become Managing Director of Smith's Potato Crisps Limited, London, England.

Henry H. Porter, Jr., formerly Assistant

Treasurer, was elected Treasurer, replacing Mr. Schall.

James W. Campbell, formerly Executive Vice President of Morton Foods, Inc., was elected President of this wholly owned subsidiary in February, 1967. He succeeded *Van Calvin Ellis*, who resigned. Mr. Campbell has been a member of the Morton Board of Directors since 1964.

Miss Mercedes Bates, Director of the Betty Crocker Kitchens, in early 1966-67 became the first woman to be elected a Vice President of General Mills.

Lancaster Plant Dedicated With Colorful Ceremonies

General Mills' 400,000-square-foot package foods plant at Lancaster, Ohio — the company's newest and most modern production



Creative Toys are products of Rainbow Crafts, Inc., which became a wholly owned subsidiary of General Mills in October, 1965.

WILLIAM F. MITCHELL,
Vice President-Administrator,
Chemical and Specialty
Products Divisions



THE TERRACE, landscaped for beauty at the entrance of the Betty Crocker Kitchens, serves also as a work area for outdoor barbecuing.

facility—was dedicated with colorful ceremonies on Saturday, November 19, 1966. Local, state and national officials joined General Mills President Edwin W. Rawlings in the dedication following a breakfast for community leaders. A public open house attracted 16,000 visitors.

The new plant, which started full production well ahead of schedule, consists of a three-part complex of manufacturing, warehousing and office facilities. In a contest conducted by *Factory* magazine, it was named one of the "Top Ten" United States manufacturing plants of 1967.

Stockholders Meet in Columbus, Philadelphia

General Mills stockholders in the areas of Columbus, Ga., and Philadelphia, Pa., heard firsthand reports on their company at informal meetings during 1966-67.

On February 1, shareowners at the Ralston Hotel in Columbus joined a team of eight company executives to discuss General Mills' plans and progress. Charles H. Bell, Chairman of the Board, James P. McFarland, Executive Vice President, and J. Wilbur Feighner, President of the recently acquired Tom Huston Peanut Company, which is headquartered in Columbus, addressed the meeting. On May 23, stockholders meeting at The Bellevue Stratford in Philadelphia also heard reports from Chairman Bell and President Edwin W. Rawlings. At both meetings, lively question and answer sessions followed the presentations.

The Columbus and Philadelphia meetings were part of a new series planned to bring stockholders up-to-date information about their company, its people and its philosophy. Like previous sessions at San Francisco and Chicago, they were preceded by presentations to security analysts in the same areas.

Scholarship Program Continues to Grow

Thirteen, a number shunned by those of a superstitious mind, was not unlucky for the Betty Crocker Search for the American Homemaker of Tomorrow. In its 13th year, General Mills' educational-scholarship program for high school senior girls enrolled 581,334 students in 14,753 schools throughout the nation, an all-time high. Two students in each



LATIN AMERICAN KITCHEN, bright with sunny colors, displays a stone sculpture representing the Aztec calendar.

state and the District of Columbia received college scholarships ranging from \$500 to \$5,000.

The Betty Crocker Search is planned to help schools prepare young women for their future responsibilities as wives and mothers. Throughout its history, it has grown in participation and in reputation with educators.

General Mills Honors Year's "Good Citizen"

In keeping with a long-standing policy of encouragement for public service by employees, General Mills in 1966-67 established its first company-wide "Good Citizen" award. Similar awards are planned annually to honor outstanding contributions to the public good by General Mills men and women.

Selected as first "Good Citizen" was Henry J. Schoder, Purchasing Agent at General Mills'



FRED M. PUGH,
General Manager,
Specialty Products Division

Chemical Division in Kankakee, Ill. Mr. Schoder, who had received a B'Nai B'rith Brotherhood Award for Community Service earlier in the year, was recognized for a long record of contributions to Kankakee and Illinois.

In addition to an engraved trophy, the "Good Citizen" award includes a color television set and two shares of General Mills common stock.

Two New Cookbooks By Betty Crocker

Two new cookbooks, both designed to help the imaginative hostess and homemaker put

that "something special" into party plans or family occasions, have been added to the Betty Crocker list of perennial best sellers.

Betty Crocker's Cake and Frosting Mix Cookbook contains more than 300 recipes to guide the mix-minded homemaker toward new and exciting creations. The lavishly illustrated, 168-page *Betty Crocker's Hostess Cookbook* offers intriguing answers to the "what can I do that's different?" question which so often arises in entertainment planning.

In the calendar year, 1966, a public interested in nutritional and pleasurable eating bought one and a half million copies of Betty Crocker cookbooks. Homemakers and their families have purchased more than 22 million copies since the first *Betty Crocker's Picture Cook Book* was introduced in 1950.

Manager of Manpower Planning Is Appointed

General Mills' efforts to harness human resources for maximum effectiveness have been intensified by appointment of a manager of manpower planning in the corporate Personnel Services Department. He will be responsible for corporate coordination and interdivisional and departmental communications concerning manpower needs and plans. He will also aid in the long-range planning that is necessary for the annual company-wide recruitment program.

RICHARD L. SCHALL
(left), Controller;
HENRY H. PORTER, JR.,
Treasurer



DONALD F. SWANSON,
Vice President and
General Manager,
Grocery Products Division



BURTON W. ROBERTS,
Vice President-Administrator,
Flour and Food Service Division, Sperry
Operations and Morton Foods, Inc.



SCANDINAVIAN KITCHEN offers a sweeping view of fields and fjord. Its hand-stenciled ceiling, hand-carved beams and cabinets with colorful designs suggest the traditional crafts of Scandinavia.

To improve the effectiveness of supervision, the company has joined with the University of Wisconsin in launching a program of supervisory training. Instruction is directed especially toward new foremen and supervisors at the plant level.

Sperry Operations of General Mills are celebrating their 115th anniversary. Their predecessor company was founded by Austin Sperry at Stockton, Calif., in 1852 to supply flour and feed to nearby gold mining camps. Jack Gaisser, Sperry Food Service Representative in the Southern California District, here discusses Sperry's beginnings with an "old prospector" at Knott's Berry Farm, famous recreation ground and tourist attraction. The two popular restaurants at Knott's use General Mills' food service products.



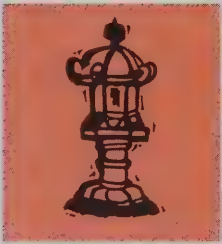


BETTY CROCKER DINING ROOM combines rosewood paneling, a rosewood-bordered mahogany table and sideboard, Chippendale chairs and a Louis XV Chinese-lacquered chest to create an atmosphere of traditional charm.

Twenty-Six Union Contracts Negotiated

General Mills' relationships with the 34 local unions representing company employees in 42 bargaining units continued to be satisfactory through the past year. Twenty-six contracts were negotiated in 1966 with only one minor work stoppage—a two-day strike of employees at the company's Toledo office. The remaining contracts had been negotiated for multiple-year periods, providing for automatic wage adjustments in 1966.

As a result, it was possible to give increased emphasis to labor relations activities in the areas of stepped-up training of supervisors in sound labor relations practices and improved plant communications programs. Such programs will assume an increasingly important role in the current year and years ahead.



JAPANESE KITCHEN, shaded by a bamboo ceiling, is decorated in teakwood and black. A view of cherry trees in bloom adds a further touch of Oriental beauty.



Some of the products by which we are known

BETTY CROCKER PRODUCTS

Brownie Mixes
Cookie Mixes
Layer Cake Mixes
Angel Food Cake Mixes
Chiffon Cake Mixes
Answer Cake Mixes
Pudding Cake Mixes
Pound Cake
Gingerbread Mix
Pie Crust Mix
Pie Crust Sticks
Graham Cracker Pie Crust Mix
Boston Cream Pie Mix
Frosting Mixes
Ready-to-Spread Frostings
Muffin Mixes
Casseroles
Au Gratin Potatoes
Scalloped Potatoes
Mashed Potato Buds
SAFF-O-LIFE Safflower Oil
Pancake Mixes

BISQUICK Mix

SNACKS

BUGLES
WHISTLES
DAISY*S

BREAKFAST CEREALS

WHEATIES
CHEERIOS
CORN KIX
TRIX
SUGAR JETS
FROSTY O'S
TOTAL
COCOA PUFFS
TUTTI-FRUITI TWINKLES
LUCKY CHARMS
WHEAT STAX
GOODNESS PACK
WACKIES
COUNTRY CORN FLAKES
WHEAT HEARTS
PROTEIN PLUS

FLOUR

GOLD MEDAL
"KITCHEN-TESTED"
GOLD MEDAL WONDRA
GOLD MEDAL Self-rising
SOFTASILK Cake Flour
PURASNOW
SPERRY DRIFTED SNOW
RED BAND
LA PINA
RED STAR
REX
WHITE DEER

BETTY CROCKER'S Cook Books

TOM'S

Delicious Candies
Potato Chips
Peanut Butter and
Sweet Sandwiches
Peanuts

MORTON'S

Potato Chips
Corn Chips
Pickles
Mayonnaise

(Snack Foods and other food products for home, restaurants and institutions.)

FOOD SERVICE

Serving hotels, restaurants, institutions, bakeries

Cake Mixes
Icing Mixes
Cookie Mixes
Hotbread and Muffin Mixes
Yeast Raised Mixes
Donut Mixes
Danish, Sweet Dough and Roll Mixes
Pie Crust Mix
Griddle Mixes
Potato Products
Hot Cereal Products

WHEAT HEARTS Cereal
Deep Frying Mixes
Sauce and Sauce Mixes
Egg Custard Mixes
Ready-to-Eat Individual Cereals
SOFTASILK Cake Flour
KING WHEAT Flour
ALL TRUMPS Flour
GOLD MEDAL Whole Wheat Flour
THICK-QUICK Gravy Flour
HELMET Flour
CREAM OF RYE Flour
WASHBURN'S GOLD MEDAL Flour
BAC-O-CHIPS
BUGLES
WHISTLES
DAISY*S
TENDEROLL Base

OAT PRODUCTS

PURITY Steel-Cut Oatmeal
PURITY Regular Rolled Oats
PURITY Quick Cooking Oats
PURITY Ground Oat Flakes
CHIEF Oat Flakes
PURITY Oat Flour
PURITY Hy-Protein Oatfeed
PURITY Reground Oatfeed
TRAINERS' CHOICE Racehorse Oats
FAVORIT Racehorse Oats

BAKERY FLOUR PRODUCTS

Serving wholesale bakers and industrial processors

Spring-Winter Blends
KING WHEAT Flour
WASHBURN'S GOLD MEDAL Flour
OXBO 2nd Clear

FOOD INGREDIENTS

Wheat Starch
Natural Gums

Fruit Drink Concentrates
Flavor Intensifiers
Vitamin Concentrates
Wheat Gluten

INDUSTRIAL GUMS AND SPECIALTY CHEMICALS

Starches
Natural Gum Specialties
Gum Derivatives
Synthetic Gums
Release Agents
Anti-Static Agents
VERSAMID Polyamide Resins
VERSALON Polyamide Resins
VERSADYME Dimerized Fatty Acids
GENEPOXY Epoxy Resins
DDI Isocyanates
LIX Liquid Ion Exchange Reagents
COVISEC and COVITOL Vitamin E Products
ALAMINE, ALIQUAT, DIAM and DERIPHAT Special Purpose Chemicals

CELLULOSE SPONGES

O-CEL-O Sponges
HIRED HAND Sponge
FAST BACK Sponge

SNO-FLOK Decorating Kit

RAINBOW CRAFTS

PEE WEE SCULPTOR
PLAY-DOH
FUN FACTORY, JR.
FUN FACTORY
PLAY-DOH Coloring Trays
PLAYROOM CANISTER
PLAYNTS
PLAYNTS Coloring Tiles
PLAYNTS Cartoon Tiles
DIPPSY DOODLER

Some of these products are in regional distribution only

Board of Directors



Charles H. Bell, Minneapolis
Chairman



Ford Bell, Minneapolis
Chairman of Board
Red Owl Stores, Inc.



Thomas M. Crosby, Minneapolis
President
Northwest Growth Fund, Inc.



J. Wilbur Feighner, Columbus, Ga.
Vice President
General Mills, Inc.



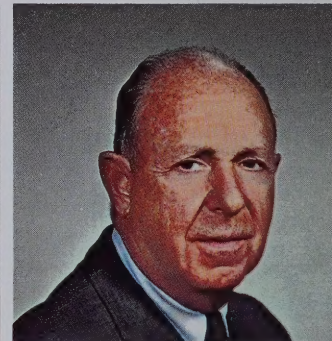
Stephen F. Keating, Minneapolis
President
Honeywell Inc.



Gerald S. Kennedy, Minneapolis



R. Stanley Laing, Dayton, Ohio
President
The National Cash Register Company



William H. Lang, St. Paul
President
Foley Brothers, Inc.



Deane W. Malott, Ithaca, N.Y.
President Emeritus
Cornell University



Louis W. Menk, St. Paul
President
Northern Pacific Railway Company



James P. McFarland, Minneapolis
Executive Vice President
General Mills, Inc.



Louis F. Polk, Jr., Minneapolis
Vice President-Finance
General Mills, Inc.



William B. Reynolds, Minneapolis
Vice President
General Mills, Inc.



Burton W. Roberts, Minneapolis
Vice President
General Mills, Inc.



Frederick A. O. Schwarz, New York
of Davis Polk Wardwell
Sunderland & Kiendl



Charles B. Thornton, Beverly Hills, Ca.
Chairman of Board
Litton Industries, Inc.



Philip B. Harris, Minneapolis
Executive Vice President
Northwestern National Bank



David M. Lilly, Minneapolis
President
Toro Manufacturing Corporation



Edwin W. Rawlings, Minneapolis
President
General Mills, Inc.



Walter B. Wriston, New York
President
First National City Bank

Executive Committee

Charles H. Bell, Chairman
Ford Bell
Stephen F. Keating
Gerald S. Kennedy
William H. Lang
James P. McFarland
Edwin W. Rawlings
Frederick A. O. Schwarz

Officers

Charles H. Bell
Chairman of Board
Edwin W. Rawlings
President
James P. McFarland
Executive Vice President

Vice Presidents

Everett H. Andreson
Sewall D. Andrews, Jr.
Mercedes A. Bates
Lester F. Borchardt
J. Wilbur Feighner
James S. Fish
Ralph E. Gaylord
J. William Haun
Frank C. Hildebrand
William R. Humphrey, Jr.
William A. Lohman, Jr.

William F. Mitchell
Granville C. Morton
Paul L. Parker
Cyril W. Plattes
W. Robert Price, Jr.
William B. Reynolds
Burton W. Roberts
Gordon W. Ryan
Donald F. Swanson
Darryl J. Woodland
Eugene E. Woolley

John F. Finn
Vice President,
Secretary and General Counsel

Louis F. Polk, Jr.
Vice President-Finance

Richard L. Schall
Controller

Henry H. Porter, Jr.
Treasurer

Transfer Agencies

COMMON STOCK:
First National City Bank,
New York
Office of the Company,
Minneapolis

\$1.75 CUMULATIVE CONVERTIBLE PREFERENCE STOCK:
First National City Bank,
New York
The First National Bank of Columbus (Georgia)

Registrars

COMMON STOCK:
The Chase Manhattan
Bank, N.A., New York
Northwestern National
Bank of Minneapolis

\$1.75 CUMULATIVE CONVERTIBLE PREFERENCE STOCK:
The Chase Manhattan Bank,
N.A., New York
Columbus Bank and Trust Company (Georgia)



Tom Huston Peanut Company, with headquarters at Columbus, Ga., became a wholly owned subsidiary of General Mills on August 27, 1966. A leading marketer of confections, peanuts, potato chips, peanut butter and sweet sandwiches and related food products, Tom's sells mainly through non-grocery outlets, including vending machines. For General Mills, it opens new channels of distribution.